

**Remarks by Steven C. Preston
Administrator, Small Business Administration
Tibbetts Awards
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Thank you all very much.

It's a great pleasure to have the chance to address you today. The sheer wattage thrown off by the accumulated brain power and entrepreneurial talent in this room is enough to humble anyone.

I particularly want to recognize Roland Tibbetts, the man who started and promoted the SBIR and STTR programs and whose name graces the awards being given out today. Mr. Tibbetts, I am honored to be in your company today.

Also, I'd like to recognize Mr. Jere Glover, executive director of the Small Business Technology Coalition. Thank you for your hard work on behalf of small business technology companies and for helping to make today's event possible.

To the honorees, you are truly the best of the best. From the many thousands of highly successful competitors, over 80 truly outstanding examples are being recognized today.

You are all winners here. But you aren't the only winners. Our whole nation, indeed the whole world, wins because of your insights, your hard work, your craft and care and diligence, your ability to dream great dreams and realize those dreams in the practical crucible of the marketplace.

Because an idea or concept of basic scientific breakthrough that *isn't* actualized in technology and introduced into the market is like a seed without soil.

You make ideas bloom into life-sustaining and life-enhancing products. You breathe the energy and life of innovation into our economy.

Albert Einstein once said that “everything that is really great and inspiring is created by the individual who can labor in freedom.”

By the same token, our freedoms are sustained by the labors of those who are inspired to do great things.

The economist Paul Roemer, who many have short-listed for the Nobel Prize, has become well known for what is called, “New Growth Theory.” The central idea that the most important factor in economic growth is not labor or capital, but new ideas that are expressed in technological progress.

He points out that there are virtually no ideas that benefit consumers without an intervening for-profit firm which commercializes them, tailors them to the market, and delivers them.

Over time, he says, we’ve come to realize that we used to make an artificial distinction between basic research and applied product development, and that it’s actually the combined energies of both, working on the same problems, that produce the best outcomes.

That’s what the SBIR program is all about. Bringing both together. Liberating ideas, technology and basic research so they can flower in the marketplace.

I’d like to express a special appreciation to those of you in the government who are absolutely essential to making this work. You deserve our deep appreciation and heartfelt thanks. We wouldn’t have these awards without you.

Turning to the entrepreneurs, the amazing variety of your accomplishments makes it almost impossible to generalize.

To pick a few at random:

- There's Heidi Jacobus, from Michigan, who developed new machine vision and sensor sorting equipment for ammunition that has already saved millions of dollars for our armed forces in Iraq.
- There's Kang Lee, an immigrant from South Korea, who has developed aerogels that can – among other things -- provide protection from a powerful explosion less than an inch away, withstand a blowtorch at 2,000 degrees Fahrenheit and keep an Arctic explorer warm at 100 degrees below zero.
- There's Ronald Ignatius and his LEDs, no bigger than a grain of sand, that can produce 12 times more radiant energy than the sun in the same bandwidth. Once used to grow plants in space, this extraordinary technology is now being used to heal the wounds of serious burn patients and cure cancer.

Strengthening our national security, healing the sick, accelerating the communications revolution and restoring our environment – in almost every walk of life, you are actualizing scientific progress, making it real in our lives.

In the process, not incidentally, you're helping to power our economy and create jobs.

You – and all small businesses – are absolutely crucial in that regard. One of the secrets of the American growth economy is that we don't think big is necessarily better. Sure, large corporations have their place, an important place. But as Americans, we've always understood the vital role of the individual, the entrepreneur, the man or woman with a dream.

And, we understand that it's small-and medium-sized businesses that account for the major part of economic growth and job creation.

That's why it's such a terrific honor for me to have the opportunity to serve our country in an agency that touches the lives of so many people.

And it's important that our President has worked so hard to promote an innovation agenda focused on increased investments in research and development (R&D), strengthening education, and encouraging entrepreneurship and innovation. He realizes how important innovation is to our economy if we are to remain the most competitive and advanced country in the world.

Through the President's leadership and philosophy, he has helped to create an environment where all small business can flourish and has advanced an economic agenda that includes many of the issues that are so important to you, as they are to small businesses.

- Like tax reform to make tax cuts lasting.
- Like initiatives to address rising energy costs by investing in new technologies that will generate alternatives to a petroleum-based economy, so we can reduce our reliance on foreign oil and the economic uncertainty it creates.
- Hopefully, some of you will come up with solutions to help us out there.
- Like establishing small business health plans so small businesses can reduce the strangling cost of health care for their employees and we, as a nation, can expand the coverage for our citizens.

I focus on the importance of the economic agenda because it wasn't that long ago that we were looking at a plunging stock market, corporate accounting scandals, and the horrific attack on 9-11, and the economic turmoil that ensued. But over the last three years, we have seen:

- Consistently robust economic growth;

- Steady job creation, and as a result, an enduringly low unemployment rate;
- Even a stock market that is bumping up against record highs.

We need to celebrate this accomplishment. But as we do, we need to understand that is entrepreneurs like you who drive it. And, if you have an ability to form, to create and to expand unfettered by excessive regulations and cost, it is not only good for you, but for every citizen in our society and for every person you touch through your innovation.

We need to recognize that it's entrepreneurs, readiness to take risks, the grit to stick out the hard times, the commitment not just of capital but of passion, and the devotion when others falter – it's all of this that puts small businesses at the heart of strong communities throughout our country. Entrepreneurs take risks that others won't take, because they believe in a vision. Their founders match every dollar they invest with \$10 of sweat equity – and as a result, where others find a wall, again and again they find the door of success.

You and I are blessed to live in America, a great society with a robust economy as one of its pillars. It's a society where we are free and encouraged to innovate, to adapt to changes in markets – where innovation can find its home in opportunity and, in turn, in livelihood. And that is because we have created and preserved an environment in which innovation and entrepreneurship can flourish. And we must ensure that we continue to preserve and pursue a culture, a capital system and tax and regulatory structure that enables and encourages innovation and entrepreneurship.

So thank you for inviting me. This is your day. Enjoy it.

Keep those innovations coming.

You're changing the world into a better place. And for that, you're earning not just an award, but the heartfelt gratitude of your nation.

Thank you very much.

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